

WASHINGTON, DC—Representative Steve Driehaus today applauded House passage of the Helping Families Save Their Homes Act (H.R. 1106), which includes a measure that Rep. Driehaus cosponsored to crack down predatory lending. Citing the bill's provisions to help families facing foreclosure stay in their homes, Rep. Driehaus praised the legislation as an important step toward halting the housing crisis.

"The housing crisis is at the root of this recession, and we need to stabilize the housing market in order to get our economy on the path toward recovery. The provisions in this bill will help families facing bankruptcy and foreclosure stay in their homes," said Rep. Driehaus. "This legislation creates new tools that will provide a responsible way for lenders and homeowners to modify existing mortgages. These measures are a last resort for people who played by the rules but have fallen victim to the housing crisis."

The Helping Families Save Their Homes Act takes steps to implement President Obama's Homeowner Affordability and Stability Plan to get more families into affordable mortgages. The bill protects lenders from lawsuits for reasonable loan modifications. It fixes the Federal Housing Administration's (FHA) Hope for Homeowners program by reducing fees that have discouraged lenders from participating and offering new incentives to lenders to negotiate loan modification. The bill would also fix the bankruptcy law to allow judges to modify the terms of existing mortgages as a last resort, a provision with no taxpayer expense.

Representative Driehaus is an original cosponsor of the Honest FHA Originator Act of 2009, provisions of which are included in H.R. 1106. The measure, which was introduced by Representative Maxine Waters (D-CA), would prohibit unscrupulous or unapproved lenders from participating in FHA programs. The legislation would require the U.S. Department of Housing and Urban Development (HUD) to approve all parties participating in the FHA single-family mortgage origination process. HUD would also be required to expand its processes for reviewing new applicants and identifying high-risk applicants. Representative Waters chairs the House Financial Services Subcommittee on Housing and Community Opportunity, of which Rep. Driehaus is a member.